GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:1780
ANSWERED ON:23.08.2007
SURPLUS FUNDS OF PSUs
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Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether large number of Public Sector Undertakings (PSUs) have surplus funds in the last few years;

(b) if so, the details thereof during the last three years, PSU-wise;

(c) whether any scheme has been formulated by the Government for utilization of the said surplus funds;

(d) if so, the area / spheres / projects on which these PSUs have utilized this surplus funds during the last three years?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) & (b): As per Public Enterprises Survey, 2005-06, the Central Public Sector Enterprises (CPSEs) had a cash and bank balance of Rs. 1,50,680 crore, Rs. 1,29,428 crore and Rs. 84,979 crore as on 31.3.2006, 31.3.2005 and 31.3.2004 respectively.

Detail of CPSEs having cash and bank balances of more than Rs. 100 crore, as on 31.3.2006, is annexed.

(c) & (d): Boards of concerned CPSEs take decision for deployment of surplus funds in specific areas as stipulated in the guidelines issued by the Government from time to time. Recently the Government have decided to allow Navratna and Miniratna CPSEs to invest their surplus funds in SEBI regulated public sector mutual funds subject to the condition that not more than 30% of the available surplus funds would be invested by these CPSEs in public sector equity mutual funds. Board of Directors of the CPSEs would decide the guidelines, procedures and management control systems for investment in public sector mutual funds in consultation with their administrative Ministries.